

who insure loans through the FHA from dealing with the referral companies. However, just 10 days after the announcement of HUD's directive, a Federal judge here in Washington set the directive aside awaiting further hearing. While some of the mortgage originators have indicated that they have stopped dealing with the estate planning firms by their own initiative, many of us in the Senate want better safeguards.

Senate bill 562 ensures that the practice of charging exorbitant fees in the reverse mortgage program are halted by doing two things. One, the bill requires that all fees and costs associated with the reverse mortgage program be disclosed to the homeowner. Two, the bill gives authority to the Secretary of HUD to ensure that the homeowner does not pay any unnecessary or excessive costs for obtaining the mortgage. This would include any costs of estate planning, financial advice, or other related services. S. 562 does not set prices or products in the reverse mortgage program, it only acts as a safeguard from excessive costs.

I am proud to say that my State is home to the largest servicer of the FHA reverse mortgage. Wendover Funding, a Greensboro based mortgage banker, is the Nation's largest wholesale lender and administrator of these loans. Wendover currently services more than 11,500 reverse mortgages, representing approximately 60 percent of the market. Of these, Wendover has funded more than 400 loans to seniors in North Carolina.

Many believe that FHA's involvement provided much-needed consumer protection to the reverse-mortgage industry. Lenders who make FHA-backed loans have to abide by strict rules on rates and set-up fees and can't charge any hidden fees to make extra money. Unfortunately, some of the estate planning companies who refer the borrowers to the FHA lenders have not had the same restrictions put upon them.

The several unscrupulous companies that have scammed thousands of unnecessary and exorbitant fees from elderly citizens have forced this Congress to act. The protections placed in S. 562 will ensure that senior citizens are no longer taken advantage of when they are looking at this new source of income. Our grandparents, as they face longer years of needed income and want to stay in their homes, will be able to do so and still be protected.

Thank you Mr. President. I urge my colleagues support.

Mr. JOHNSON. Mr. President, I rise today to express my strong support for the Senior Citizen Home Equity Protection Act introduced by Senator D'AMATO, and to thank Chairman D'AMATO for moving so quickly in response to the needs of the Department of Housing and Urban Development in efforts to crack down on the exploitation of our vulnerable low-income senior citizens.

The Senior Citizen Home Equity Protection Act will assure that a home-

owner pursuing a HUD home equity conversion mortgage, or reverse mortgage, is not charged unnecessary or excessive costs for obtaining that mortgage. The median age of reverse mortgage applicants is 76 years. Most of these borrowers are very low-income, Social Security dependents, typically seeking additional funds for basic needs and medical expenses. Information on the program and the application process is provided by HUD free of charge. Yet, some businesses have been convincing seniors of services and counseling required before reverse mortgages can be secured. Many of these middlemen charge up to 10 percent for services that seniors do not realize are unnecessary.

S. 462 clarifies HUD's authority to appropriately restrict unnecessary or excessive costs related to the origination of a reverse mortgage. I believe it necessary to grant this regulatory authority to end fraudulent business activity so that legitimate business interests can be protected and the loan program can remain a viable alternative for seniors to turn to in the financial marketplace.

My State of South Dakota recently remedied State law to allow for participation in HUD's reverse mortgage program, at the urging of the South Dakota AARP and the South Dakota Bankers Association. While we have been fortunate not to have felt the impact of these deceitful businesses in South Dakota, I am a strong supporter of this legislation to prevent the spread to my State, now that seniors can pursue these reverse mortgages.

Senator D'AMATO worked closely with HUD Secretary Cuomo to ensure that seniors can be protected while the viability of the loan program remains intact, and I urge my colleagues to support the Senior Citizen Home Equity Protection Act.

Mr. D'AMATO. Mr. President, I know of no one else in the majority who seeks to speak to this issue. We would yield back all of our time.

Mr. DODD. On behalf, Mr. President, of Senator SARBANES of this side, we yield back this time as well.

Mr. D'AMATO. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DODD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

#### MORNING BUSINESS

The PRESIDING OFFICER. The Senate, under a previous order, will proceed to morning business with Senators permitted to speak for 5 minutes each, with the following exceptions: Senator SMITH of Oregon for 30 minutes, Senator DORGAN for 30 minutes, Senator DASCHLE, or his designee, for 30 minutes, and Senator WELLSTONE for 10 minutes.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

#### BREAST CANCER RESEARCH

Mr. D'AMATO. Mr. President, let me speak, if I might, to an issue of critical national importance—an issue that has plagued the people of the State of New York, most particularly those in Long Island. I am talking about Nassau and Suffolk County, the communities of Long Island. A major county is described legally as a county that has more than 250,000 women, for the purposes of compiling these statistics. And they are dreadful statistics because we are talking about the incidence of breast cancer. Long Island has had an unenviable position of being ranked No. 1 in the incidence rates of breast cancer in years gone by.

It is incredible. As a result, the National Institutes of Health has undertaken a very comprehensive study, one of the first of its kind, which says we will look to see what environmental factors may be contributing to these high rates of breast cancer. They are undertaking that study. Some \$5 million has been allocated. Mr. President, that \$5 million is not enough, even though it is among the most sophisticated studies being undertaken.

Recently, some very real questions have arisen as it relates to what impact there may be as it relates to radioactive materials, radio nuclides, and other materials that may have gained entry into the groundwater system, or that may, as a result of being dispersed in the air, some of these radioactive materials out in Brookhaven, Long Island. What impact has this had, if any?

Indeed, it seems to me, if we were to spend \$5 million, that is not an inconsequential sum. But one of the most comprehensive studies undertaken—this is a study that will take over 5 years; not to complete this study, addressing all concerns, as it relates to the high rate of breast cancer on Long Island, would be wrong. The scientific community will not have completed its chore. And part of that is to be able to say to the public we have examined the situation.

Brookhaven National Lab—and it seems we may have an additional responsibility—has been run under the aegis of the Department of Energy. May I say here and now that it has been run abysmally as it relates to the impact of its operation on the community.

Over the years, there has been a litany of abuses of burying of waste materials, hazardous waste, of creating almost a dump site of indifference to the operation of this lab where, indeed, the water tables have been impacted and have actually had radioactive materials—tritium—discharged; and the reports of leaks, and the reports of these discharges have been systematically withheld from the public. The lab has operated with an indifference to public health—"The public be damned" attitude. I commend the Assistant Secretary for Energy, who has come in to look at what can be done to straighten this fiasco out. The scientists have